

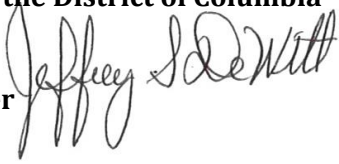
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: October 13, 2016

SUBJECT: Fiscal Impact Statement – Land Disposition Transparency and
Clarification Amendment Act of 2016

REFERENCE: Bill 21-325, Draft Committee Print as shared with the Office of Revenue
Analysis on October 13, 2016

Conclusion

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill.

Background

Under current law, the Mayor can dispose of a public property through a sale or lease, and to do so, the Mayor must first declare that property surplus—that is, the District no longer needs the property for public use.¹ The legislative steps for these actions include a surplus declaration resolution and a disposition resolution, which the Council must approve.

The bill increases the requirements the Mayor must meet before the Mayor can declare a property surplus and disposed of it. Before issuing a request for proposals, the Mayor must hold a public hearing² to receive community input on potential public uses of the property. The Mayor must include, in the surplus declaration resolution, a list of all the public uses considered and an explanation as to why the property did not meet those needs. The Mayor must also provide in the

¹ An Act Authorizing the sale of certain real estate in the District of Columbia no longer required for public purposes, approved August 5, 1939 (53 Stat. 1211; D.C. Official Code § 10-801).

² This is a public meeting held by the executive and not a hearing held by the Council.

The Honorable Phil Mendelson

FIS: Bill 21-325, "Land Disposition Transparency and Clarification Amendment Act of 2016," Draft Committee Print as shared with the Office of Revenue Analysis on October 13, 2016

disposition resolution an explanation for the difference between the fair market value³ and the purchase or lease price of the property—if there is a difference—and an economic impact analysis.⁴

The Mayor must also hold at least one public hearing on any related economic and infrastructure projects that are not located on the public property being disposed of, but are related to the development of it.

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. The Deputy Mayor for Planning and Economic Development (DMPED) currently submits documents to Council that describe how it derived the purchase or lease price relative to appraised values and what it believes will be the economic impact of the disposition. DMPED does not expect the bill to significantly increase its costs and can absorb any costs within its existing resources.

³ For the bill's purposes, the fair market value should reflect the highest and best use of the property that considers alternative uses of the properties and generates the highest land value.

⁴ The economic impact analysis should include an evaluation of revenues, jobs, and tax receipts.